

# Premium Payments Policy - 6.9.P (12/15/99)

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[Last Update: \(12/15/99\) RShibata:dal - 6.9.P.0](#)

[Background - 6.9.P.1](#)

[Policy - 6.9.P.2](#)

[Guideline - 6.9.G](#)

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## Last Update: (12/15/99) RShibata:dal - 6.9.P.0

This policy has been reformatted for placement on Sandia's External Web site.

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## Background - 6.9.P.1

Since premium payments increase the costs of goods and services procured by SNL, the SCR should authorize premium payments only when absolutely necessary to meet SNL required schedules and then only when the SCR has considered:

- changing delivery or performance schedules with the concurrence of the Requester,
  - encouraging Contractors to meet schedules without the need for premium payments, and
  - awarding Standard Purchase Orders (SPOs) and contracts promptly to allow Contractors adequate time for performance.
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# Policy - 6.9.P.2


SCRs must approve premium payments in writing preferably in the contract or SPO. Certain exceptions are contained in the Section II Standard Terms and Conditions for Cost Reimbursement contracts, with or without fee, and for Cost Sharing contracts (e.g., emergencies - see Allowable Costs and Fee Clause).

Premium payments should be used only when absolutely necessary and in accordance with the guidelines outlined in Guideline 6.9.G.

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Send feedback on ideas and information on this page to the Process Expert, Randy Shibata.

{PRIVATE "TYPE=PICT;ALT=[mailto:]"}  [Randy Shibata](#)

{PRIVATE "TYPE=PICT;ALT=[Mail to:]"}  [Frank Lujan III](#)

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